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Iran-Contra Report Bloodies

Senate Candidate's Integrity Questioned; Some Say It Will Hurt,

By Kent Jenkins Jr.
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Senate candidate Oliver L. North is portrayed as someone who repeatedly lied, broke the law and misused money in the final report on the Iran-contra affair, released only days before he plans to formally open his campaign.

Special prosecutor Lawrence Walsh's report, which came out yesterday, will create significant political fallout for the first-time Republican candidate, according to analysts. It refocuses attention on North's role in the scandal and questions his integrity. Both contrast sharply with North's repeated descriptions of himself as a White House subordinate who loyally followed orders.

North and his aides dismissed the report as politically meaningless yesterday, saying it recycled old allegations that courts already have rejected. North was found guilty of several charges, including obstructing Congress and accepting an illegal gratuity, but the conviction was overturned on the grounds that North's testimony before Congress might have been used against him.

"There are no smoking guns when it comes to me," North said in a statement. "Walsh fired his last shot, and it was a blank. It's over."

Political analysts, Democrats and a North opponent strongly disagreed. Although many voters may be numbed by details of the affair, they said, the report spotlights concerns about North's character. Its conclusions are likely to be invoked repeatedly if North wins the GOP Senate nomination.

"On the issue of character, this could be devastating," said Mark J. Rozell, a political scientist at Mary Washington College. "This report is not coming from the Chuck Robb camp, but from an outside source with an aura of objectivity. It lends much more credibility to any charges against North."

North's only Republican opponent, former Reagan administration budget director James C. Miller, said in a statement that "the obvious thing about all of this is that the Iran-contra controversy is going to stay in the news and as a result it will continue to be an issue."

Despite the North camp's efforts to play down the report's significance, his lawyers battled for several months to prevent its release, contending that Walsh had treated North and other Iran-contra participants unfairly. A federal judge who also questioned Walsh's fairness offered those named in the report a chance to include a written re-

sponse, but North did not offer any rebuttal.

A North spokesman, Mark Merritt, said yesterday that North "just didn't feel he had to enter into this thing" because "there's not an unresolved issue. We've already crossed that bridge."

Analysts said that Walsh's report only may have limited effect on the party's nominating contest because many Republican activists already have made up their minds about North.

But it could have greater influence in the general election among undecided voters with questions about North's fitness for office. Walsh cited North's "enthusiastic commitment" to the execution of the Iran-contra affair. In describing North's 1989 testimony in his own defense, Walsh asked "whether [North] was, as he claimed, a 'pawn in a chess game played by giants.'"

"For six days," Walsh wrote, "North admitted to having assisted the contras during the [legal] prohibition on U.S. aid, to having shredded and removed from the White House official documents, to having converted traveler's checks for his personal use, to having participated in the creation of false chronologies of the U.S. arms sales, to having lied to Congress and to having accepted a home security

North

Supporters Disagree

system . . . then fabricating letters regarding payment for the system. But, North testified, 'I don't believe I ever did anything that was criminal.' "

Analysts said the report directs attention to one aspect of the Iran-contra affair that could prove critical should North win the GOP nomination: His handling of money.

North distributed thousands of dollars to the contras but destroyed the only ledger showing where the money went. He has admitted taking a home security system from another Iran-contra figure and later trying to fabricate bills to show he paid for it.

He used \$4,300 worth of traveler's checks from contra funds for personal expenses, testifying later that the checks reimbursed money he already had spent. And in 1985, he bought a car the day after he received a sizable cash payment that was intended for the contras.

"All of North's shortcomings in this are a summary of the things people don't like in politicians: Conflict of interest, lack of truthfulness and arrogance of power," said Thomas R. Morris, a political scientist who is president of Emory & Henry College. "He wants to run as an outsider who's not like other politicians, and he's going to have to address these issues."



BY CRAIG HERNDON—THE WASHINGTON POST

Oliver L. North's lawyers battled for months to prevent release of the report.